

**Governor's Proposed FY23 Budget Adjustments  
Appropriations Hearing  
HB 5037 AAC the State Budget for the Biennium Ending June 30<sup>th</sup>, 2023  
Department of Housing  
Wednesday, February 16<sup>th</sup>, 2022**

**Kara A. Capone, CEO  
Community Housing Advocates, an affiliate organization of  
Mercy Housing and Shelter Corp. and My Sisters' Place**

Senator Osten, Representative Walker, Senator Hartley, Representative Dathan, Representative Nolan, Senator Miner, Representative France, and distinguished members of the Appropriations Committee, thank you for hearing my testimony today on House Bill 5037 (AAC the State Budget for the Biennium Ending June 30<sup>th</sup>, 2023). I am here to discuss the important investments through the Department of Housing to support efforts to end homelessness in Connecticut. My name is Kara Capone. I am a resident of Hamden, CT and CHA has programs in both Hartford and Middlesex counties. Thank you for the opportunity to provide testimony on the state budget.

Community Housing Advocates is an affiliate organization that oversees both Mercy Housing and Shelter Corporation as well as My Sisters' Place, two organizations that have been in operation for 40 years. We serve those in need with compassion, dignity, and respect through our myriad of programs including: a day shelter/soup kitchen, food pantry, veterans housing program, women's recovery program, respite programs, supported residential housing, housing for those with HIV/AIDS, youth programs, young adult services programs, housing mobility, homeless diversion, rapid rehousing, permanent supportive housing, and affordable housing development. In total, we serve approximately 4,500 men, women and children each year. In the last year alone, we served over 42,000 meals through our Friendship Center. There are plenty of people very much still in need in Connecticut.

I want to thank you for the 4% Cost of Living Adjustment for community nonprofits that you fought to include in last year's budget. I would like to ask you to honor the long-term plan to address underfunding of community nonprofits and increase funding this year by an additional 8%. The increase in this year's budget, while very much appreciated, has quickly been absorbed by rising costs. Over the last year, inflation rose by almost six percent, surpassing the COLA in the current year's budget.

This funding is needed now more than ever. Without it, we risk destabilizing our state's community service delivery system which has been upended by the pressures of COVID-19 and an exponential increase in the need for service in our communities.

At the same time, we're facing unprecedented challenges recruiting and retaining staff of all skill levels and salaries. Positions remain vacant for months because we cannot find people willing to fill them. Nonprofits are known for not paying well and it discourages people from entering the field. If we do hire, they don't stay long, lured away by the State, usually, for better pay and benefits. This results in waitlists for services, delays in providing housing for those who need it, reduces the amount of time we can spend with clients on caseloads, and burns out the staff that is being overworked. It is a vicious cycle.

In addition, human services are now in competition with companies like Amazon and Walmart that require no specialized training, are paying more and offering more hiring incentives. Clinical staff are being lured away by lucrative offers from school districts and telehealth companies. Across the state, The Alliance found that 18%, nearly 1 in 5, nonprofit jobs are vacant right now.

I would also like to offer comments on the state agency budgets for this evening's hearing. I am a member of the statewide Reaching Home Campaign to prevent and end homelessness in Connecticut and have worked in housing and homeless services well over 20 years throughout Fairfield, New Haven, Middlesex, and Hartford counties. We, alongside many other partners in the state, know that safe, affordable, and permanent housing is the only solution to homelessness. When our state's residents have stable housing, their economic and health outcomes improve. During COVID-19, the need for permanent housing for all of Connecticut's residents was made even more important.

**I respectfully request that the committee support the following proposals and expansions from the Governor's budget for the Department of Housing (DOH):**

- I support the preservation of DOH's following FY23 allocations:
  - \$2.935 million Homeless Youth line
  - \$85.323 million Housing/Homeless Services line
  - \$637K Municipal Housing/Homeless Services line
  - \$100 million bond authorization for the Affordable Housing FLEX Fund and \$50 million bond authorization for the state Housing Trust Fund
- I support an additional \$2.3 million in DOH's Housing/Homeless Services line to provide critical staff infrastructure support to [Coordinated Access Networks \(CANs\) and 2-1-1](#). CANs provide streamlined access to the homeless services system at the regional level. 2-1-1 serves as the statewide single point of entry to CANs.
- I support an increase to DOH's Housing/Homeless Services line by at least \$20 million in FY23 to expand the [Rental Assistance Program \(RAP\)](#), including \$2 million to provide rental assistance to 200 scattered-site supportive housing units for highly vulnerable individuals and families.
- I support an additional \$2.5 million in DOH's Housing/Homeless Services line to establish and implement a [proven eviction prevention model](#) that leverages Right to Counsel legal services and couples them with high-quality social work to address vulnerable renter's needs.
- I support the CT Community Nonprofit Alliance long term plan to restore at least \$461 million to community nonprofits, which includes housing and homeless service organizations
- I also support providing an additional \$13.34 million in FY 23 (\$8.08 million at DOH and \$5.26 million at DMHAS) to provide homeless and housing service organizations [funding for adequate wages, benefits, and professional development for front line workers](#), increasing rent and utility costs, and better access to technology via:
  - \$7.47 million increase in DOH Housing/Homeless Services line
  - \$169K increase in DOH Municipal Housing/Homeless Services line
  - \$436K increase in DOH Homeless Youth line

Additionally, I support the governor's proposed allocation of \$50 million in American Rescue Plan recovery funds to support the creation of 350 additional housing units affordable to households with incomes between 30% and 50% of area median income.

**Homelessness is solvable.** Connecticut can make homelessness a rare, brief, and a one-time experience by investing in what works: housing, supportive services, and the people and infrastructure that support our most vulnerable residents. However, we cannot do this alone. We need your investment in us as service providers and your political will to end homelessness and improve the lives of the most vulnerable citizens in Connecticut.

Thank you again to the committee for the opportunity to present this testimony, and for your commitment to making a positive change in our community. The pandemic has been difficult, but the work continues. With your support, Connecticut can continue to be national leaders in ending homelessness.

Sincerely,

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